

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, LA 71201
Phone (318) 323-4656 • FAX (318) 388-0724

November 16, 2007

KENNETH D. FOLDEN & CO., CPAS
302 EIGHTH STREET
JONESBORO, LA 71251

Re: Peer Review Report for year ended 05-30-07

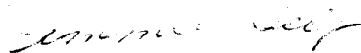
Ladies and Gentlemen:

This letter represents my response to the report issued in conjunction with the firm's review of quality control for the year ended May 31, 2007. The issue communicated to me has been brought to my attention. I have also added steps to my monitoring procedures to review the deficiency noted in the report.

The deficiency noted by me included a comment concerning a compilation engagement in which the financial reporting and disclosure checklist had not been correctly completed. As a result, an error in the report occurred, namely, indicating an omission of a statement of cash flows, which was not required.

I have revised my policies and procedures for insurance of properly completing my financial reporting and disclosure checklists. I am also intensely monitoring my disclosure checklists in all areas, especially for compilations, which will in turn enable me to more efficiently report.

Sincerely,



Jimmie Self, CPA

Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Ted W. Sanderlin, CPA

Members
Society of Louisiana
Certified Public Accountants
EMAIL: kfolden@foldencpa.com

302 Eighth Street
Jonesboro, LA 71251
(318) 259-7316
FAX (318) 259-7315

Members
American Institute of
Certified Public Accountants
EMAIL: tsanderlin@foldencpa.com

October 24, 2007

To the Owner
Jimmie L. Self, CPA

We have reviewed the system of quality control for the accounting and auditing practice of Jimmie L. Self, CPA (the firm) in effect for the year ended May 31, 2007. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with the system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagements selected included among others, engagements performed under Government Auditing Standards. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Our review was based on selective tests, therefore, it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore, noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Jimmie L. Self, CPA in effect for the year ended May 31, 2007, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was being complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

As is customary in a system review, we have issued a letter under this date that sets forth comments that were not considered to be of sufficient significance to affect the opinion expressed in this report.


Kenneth D. Folden & Co., CPAs

Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Ted W. Sanderlin, CPA

Members
Society of Louisiana
Certified Public Accountants
EMAIL: kfolden@foldencpa.com

302 Eighth Street
Jonesboro, LA 71251
(318) 259-7316
FAX (318) 259-7315

Members
American Institute of
Certified Public Accountants
EMAIL: tsanderlin@foldencpa.com

October 24, 2007

To The Owner
Jimmie L. Self, CPA

We have reviewed the system of quality control for the accounting and auditing practice of Jimmie L. Self, CPA (the firm) in effect for the year ended May 31, 2007, and have issued our report thereon dated October 24, 2007. That report should be read in conjunction with the comment in this letter, which was considered in determining our opinion. The matter described below was not considered to be of sufficient significance to affect the opinion expressed in that report.

Comment: The firm's quality control policies and procedures require the completion of a financial reporting and disclosure checklist on each financial statement engagement. Our review disclosed that on one compilation engagement that this checklist was not completed correctly. As a result, the firm issued a compilation report that did not report on all financial statements issued. The report also indicated that a statement of cash flows was omitted when a statement of cash flows was not required. None of the findings made the financial statements misleading or represented significant departures from professional standards.

Recommendation: The firm should reemphasize its policy of properly completing its financial reporting and disclosure checklist.


Kenneth D. Folden & Co., CPAs